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DAN F. ARNETT  
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173708

April 22, 2005

Mr. Charles L.A. Terreni  
Chief Clerk/Administrator  
South Carolina Public Service Commission  
101 Executive Center Dr., Suite 100  
Columbia, SC 29210

REC'D  
2005 APR 22 PM 4:36  
SC PUBLIC SERVICE  
COMMISSION

RE: Application of Nationwide Professional Teleservices, LLC For A  
Certificate of Public Convenience And Necessity To Provide Resold  
Telecommunications Services Within The State Of South Carolina

Dear Mr. Terreni:

Enclosed for filing please find the original and thirteen (13) copies of the Petition for Reconsideration in the above referenced matter. Please date stamp the extra copy enclosed and return it to me via our courier.

Also, we have served same on the Counsel for the Applicant and enclose a Certificate of Service to that effect.

Please let me know if you have any questions.

Sincerely,

C. Lessie Hammonds

CLH/cc

Enclosures

cc: John J. Pringle, Jr., Esquire

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION**  
**OF SOUTH CAROLINA**  
**DOCKET NO. 2004-283-C**

RECEIVED  
2005 APR 22 PM 4:36  
SC PUBLIC SERVICE  
COMMISSION

IN RE: Application of Nationwide )  
Professional Teleservices, LLC )  
For a Certificate of Public )  
Convenience and Necessity to )  
Provide Resold Telecommunications )  
Services within the State of South )  
Carolina )  
\_\_\_\_\_ )

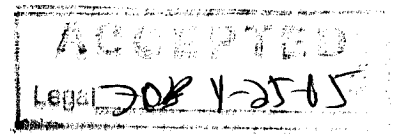
**CERTIFICATE OF SERVICE**

This is to certify that I, Cindy Clary, an employee with the Office of Regulatory Staff, have this date served one (1) copy of the **PETITION FOR RECONSIDERATION** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

John J. Pringle, Jr., Esquire  
**Ellis, Lawhorne & Sims, PA**  
Post Office Box 2285  
Columbia, SC 29202

  
Cindy Clary

April 22, 2005  
Columbia, South Carolina



**BEFORE**  
**THE PUBLIC SERVICE COMMISSION**  
**OF SOUTH CAROLINA**  
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IN RE: Application of Nationwide ) Professional Teleservices, LLC for ) a Certificate of Public Convenience ) and Necessity to Provide Resold ) Intrastate Interexchange ) Telecommunications Services ) Within the State of South Carolina ) <hr style="width: 100%;"/>	)	<b>OFFICE OF REGULATORY STAFF'S PETITION FOR REHEARING OR RECONSIDERATION</b>
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The Office of Regulatory Staff ("ORS") hereby requests, pursuant to S.C. Code Ann. §§ 58-5-330 and 1-23-10, et seq. (as amended) and the applicable rules and regulations of the Public Service Commission of South Carolina ("Commission"), that the Commission reconsider certain matters addressed in Order No. 2005-148 ("Order"), dated April 8, 2005 in the above-referenced docket. ORS received the Order on April 12, 2005. In support of this Petition, ORS states as follows:

**I. Introduction**

On October 7, 2004, Nationwide Professional Teleservices, LLC ("Nationwide") filed an Application with the Commission, requesting authority to provide resold interexchange telecommunications services within the state of South Carolina.

On March 16, 2005 a hearing was held at 101 Executive Center Drive, Saluda Building, Columbia, South Carolina. John J. Pringle, Jr., Esquire represented the applicant, Nationwide. C. Lessie Hammonds, Esquire and Shannon B. Hudson, Esquire represented the Office of Regulatory Staff. There were no intervenors.

DATE: OK DB Duke

The Commission Order in this matter states that “a Certificate of Public Convenience and Necessity should be, and hereby is, granted to Nationwide to provide intrastate interexchange telecommunications services and to originate and terminate toll traffic within the same LATA, as set forth herein, through the resale of traditional switched long distance services and any other services authorized for resale by tariffs of carriers approved by the Commission”. [P. 5]. Although Nationwide will be providing prepaid long distance by billing its customers for long distance services in advance, the Commission determined that a performance bond would not be required in this case.

ORS does not contest the Commission’s decision to grant authority to Nationwide to provide intrastate interexchange telecommunications services. However, ORS requests that the Commission reconsider its decision to not require Nationwide to post a bond prior to operating in South Carolina.

## **II. The Commission Erred By Not Requiring Nationwide to Post a Bond**

The Order stated, “In the past, we have only ordered that bonds be posted by companies offering prepaid long distance calling cards. No such card is to be offered by Nationwide. Accordingly, we decline to order the posting of a bond”. [P. 5]. The Order further explained that the Commission did not wish to “expand the use of the bond in telephone cases beyond the situation where a pre-paid long distance calling card is offered by a telecommunications company”. [P. 10].

ORS respectfully asserts that if the Commission requires Nationwide to post a bond, the use of the bond would not be expanded beyond the situation in which the Commission has previously required a bond. This Commission has previously required companies to post a bond in cases where a provider offers long distance service without

issuing a calling card. Specifically, the Commission ordered Annox, Inc., to post a bond prior to the company's authorization to provide long distance services via an 800-access arrangement. There was no request by the company to issue calling cards in the Annox, Inc. case; nevertheless, the Commission deemed it appropriate to require a bond. In Re: Application of Annox, Inc., Order No. 98-932, issued in Docket No. 98-305-C (November 30, 1998).

The Order further states the Commission's belief that pre-paid long distance calling cards "presented a specific problem for possible abuse" [P. 10]; therefore, the Commission required a bond where pre-paid long distance calling cards are offered.

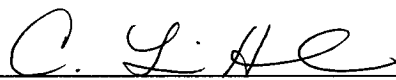
ORS contends that the "specific problem" that exists when a company provides pre-paid long distance calling cards also exists when a company provides pre-paid long distance calling services, with or without a card. This Commission considered pre-paid calling cards in World Telecom Group, Inc., Order No. 93-600, "where a subscriber must pay for services before the services are rendered, this Commission believes that a bond is necessary for the protection of the subscribers in South Carolina until such time as the Company has operated in the State and has had the opportunity to demonstrate its stability". In Re: Application of World Telecom Group, Inc., Order No. 93-600, issued in Docket No. 93-114-C (July 6, 1993). Although the World Telecom case involved the issuance of prepaid calling cards, the rationale of the Commission for requiring the bond only referenced payment for services before the services are rendered, not the issuance of a card. In the instant matter, subscribers must pay for services before the services are rendered, just as described in Order No. 93-600 as the Commission's reasoning for requiring a bond.

As shown above, the Commission has previously based the need of a bond on the fact that services were required to be paid before services were rendered, not on the fact that a calling card was to be issued. Ms. Lutich, President of Nationwide, set forth the proposed service which would allow a 30 day trial of services at no charge to the consumer. Upon the expiration of that 30 day trial period, the customer would have to pay \$19.95 for an initial set-up fee. The consumer must then pay \$39.95 each month before long distance services are rendered. Therefore, for Nationwide to provide service beyond the initial trial period, a consumer would have to pay approximately \$60.00 for the first billing cycle in advance of those services being rendered and then \$39.95 in advance for each following billing cycle. If Nationwide was to unexpectedly exit the market prior to rendering service those consumers, who are required to pay in advance, would be stranded. If a bond were in place, the consumers would be afforded funds from which a remedy could be sought.

The Commission's concern, as stated in World Telecom Group, Inc, was protecting South Carolina consumers. Similarly, Nationwide customers should be afforded the same protection. Nationwide has neither facilities nor any other assets in South Carolina, and it has no plans for having assets in South Carolina. At the date of the hearing in this matter, even though the company had been certificated in several U.S. states, Nationwide had not begun operations in any state. There is no company history to determine operational stability. Furthermore, Nationwide intends to automatically withdraw funds from consumers' accounts in advance of providing services. Due to the foregoing facts, a bond should be required in this matter.

WHEREFORE, having fully set forth its grounds for this Petition, ORS respectfully requests that the Commission reconsider Order No. 2005-148, as set forth herein, to require that Nationwide post a bond.

April 22, 2005

A handwritten signature in cursive script, appearing to read "C. L. Hammonds", written over a horizontal line.

C. Lessie Hammonds, Esquire

**Office of Regulatory Staff**

P.O. Box 11263

Columbia, South Carolina 29211